

Message Text

LIMITED OFFICIAL USE

PAGE 01 MEXICO 06806 252226Z
ACTION EB-08

INFO OCT-01 ARA-10 ISO-00 L-03 LOC-01 TRSE-00 /023 W
-----052625 252340Z /66

R 252218Z APR 78
FM AMEMBASSY MEXICO
TO SECSTATE WASHDC 9775

LIMITED OFFICIAL USE MEXICO 06806

EO 11652: N/A
TAGS: EIND, MX
SUBJECT: PROPOSED TAX ON ROYALTIES AND SALES OF COPY-
RIGHTED WORKS BY U.S. AUTHORS AND PUBLISHERS

REF: STATE 089122

1. MINISTRY OF FINANCE OFFICIAL TOLD FINATT THAT THE
POSSIBILITY OF A TAX ON ROYALTIES AND SALES OF COPYRIGHTED
BOOKS IS UNDER CONSIDERATION. NO FINAL DECISION WOULD BE
MADE UNTIL LATER THIS YEAR AND IF THE DECISION WERE MADE
TO IMPOSE A TAX IT WOULD BE INCLUDED IN THE LEGISLATION
THAT GOES TO THE MEXICAN CONGRESS AT YEAR-END AND WOULD BE
EFFECTIVE IN 1979.

2. THIS OFFICIAL SAID THAT ROYALTIES ARE NOT TAXED AT
PRESENT AND NOTED THAT BOTH MEXICAN AND FOREIGN AUTHORS
WOULD BE TAXED SIMILARLY, AND PROBABLY AS PART OF THE
INCOME TAX, SHOULD A DECISION BE MADE TO GO AHEAD WITH
THIS LEVY.

3. THERE IS A "FEDERAL LAW ON AUTHORS' ROYALTIES" THAT
PROVIDES FOR 10 PERCENT OF THE SALE VALUE OF A BOOK TO BE
DEPOSITED IN A SPECIAL ACCOUNT WHICH IS TO BE GIVEN TO THE
AUTHOR BY THE SECRETARIAT OF EDUCATION. APPARENTLY VERY
FEW PUBLISHERS PAY THIS FEE WHICH THEY VIEW AS A TAX AND
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IT HAS NOT BEEN ENFORCED WITH GREAT VIGOR. IT IS NOT CLEAR
TO US IF THE AUTHOR EVER GETS THESE FUNDS. PERHAPS YOUR
INFORMANT HAS HEARD OF EFFORTS TO ENFORCE THIS LAW.

4. WE HAVE NO OBJECTION TO YOUR PASSING ON THE SUBSTANCE
OF PARAGRAPHS 1-3. IT IS NOT CLEAR TO US WHAT THE USG
COULD DO TO INFLUENCE GOM DECISION RE A TAX PARTICULARLY

IF IT WERE NON-DISCRIMINATORY. LUCEY

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: TAX LAW, SALES, TAXES, ROYALTIES, COPYRIGHTS, WRITERS
Control Number: n/a
Copy: SINGLE
Draft Date: 25 apr 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978MEXICO06806
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Film Number: D780177-0562
Format: TEL
From: MEXICO
Handling Restrictions: n/a
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ISecure: 1
Legacy Key: link1978/newtext/t19780420/aaaaaqne.tel
Line Count: 63
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: bc0849a8-c288-dd11-92da-001cc4696bcc
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
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Previous Handling Restrictions: n/a
Reference: 78 STATE 89122
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
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Review Exemptions: n/a
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SAS ID: 2860217
Secure: OPEN
Status: NATIVE
Subject: PROPOSED TAX ON ROYALTIES AND SALES OF COPY- RIGHTED WORKS BY U.S. AUTHORS AND PUBLISHERS
TAGS: EIND, MX, US
To: STATE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/bc0849a8-c288-dd11-92da-001cc4696bcc
Review Markings:
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